Gail L. Margolis
Deputy Director
Medical Care Services
Department of Health Services
714 P Street, Room 1253
Sacramento, CA 95814

Dear Ms. Margolis:

We are pleased to inform you that an extension to your demonstration, entitled "Demonstration Project for Los Angeles County," project No. 11-W-0076/9, has been approved for the period of July 1, 2000 through June 30, 2005. The approval is under the authority of section 1115 of the Social Security Act (SSA).

Our approval of the extension and the waivers and Federal matching provided for thereunder is contingent upon compliance with the enclosed special terms and conditions. The award is subject to our receiving your written acceptance of the award within 30 days of this letter.

All requirements of the Medicaid program expressed in law, regulation, and policy statement, not expressly waived or identified as not applicable in this letter, shall apply to the extension of the Demonstration Project for Los Angeles County.

The waiver under section 1115(a)(1) and Federal matching under section 1115(a)(2) described below are approved for the period July 1, 2000 through June 30, 2005.

The following waiver has been granted under the authority of section 1115(a)(1) of the SSA to enable the State to implement the extension of the demonstration project only in certain delivery sites in Los Angeles County.

1. Statewideness

Section 1902(a)(1)

Under the authority of section 1115(a)(2) of the SSA, expenditures made by the State for the item identified below (which are not otherwise included as expenditures under section 1903 of the SSA) shall, for the period of this extension, be regarded as expenditures under the State's Title XIX plan.

2. Expenditures made by the State and/or County under paragraph 1 of Attachment A of the special terms and conditions.

Your project officer is Ms. Cheryl L. Tarver. Ms. Tarver is available to answer any questions concerning the project. She can be reached at (410) 786-5451. Correspondence to Ms. Tarver should be sent to: Health Care Financing Administration, Center for Medicaid and State Operations, 7500 Security Boulevard, Mail Stop S2-01-16, Baltimore, MD 21244-1850.

We extend our congratulations to you on this award, and look forward to working with you during the course of the extension.

Sincerely,

Robert Berenson Acting Administrator

Enclosures